



FY 2016
PROPOSED CONSOLIDATED
MUNICIPAL BUDGET

Town of Bluffton, SC, Est. 1825

FY16 Proposed Consolidated Municipal Budget Outline

- FY16 Proposed Consolidated Municipal Budget Goals
- FY15 and FY16 Bluffton Overview
- FY16 Proposed Consolidated Municipal Budget
- Next Steps

FY16 Budget Goals



- Delivery of Town Council Strategic Plan Priorities
- Continued Care of Bluffton's Intrinsic Qualities – Environment, Culture, Heritage, History, and Quality of Life
- Improve Core Services
- Invest in Town Employees and Quality of Workplace
- Build Resiliency

FY15 and FY16 Bluffton Overview



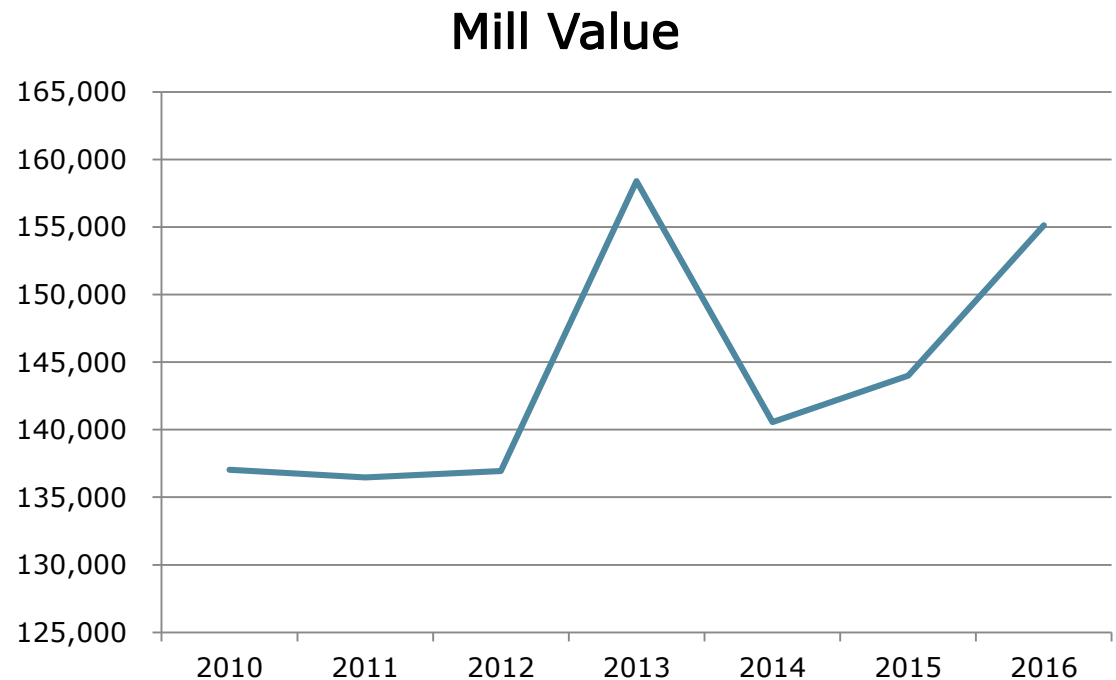
- Increasing revenues – Business License, Franchise Fees, MASC Transfers, Building Permits, HTAX, ATAX, SWU, etc.
- Robust investment and growth in most neighborhoods
- Rebounding regional economy
- Continued growth of locally owned businesses – our entrepreneurial spirit is alive and well

FY15 and FY16 Bluffton Overview

- Bluffton Police Department calls for service increased approximately 25% since 2012
- Building inspections increased 53% this FY
- 547 NEW housing starts in FY15 to date (650 + projected)
- Bluffton, HHI, and Beaufort recognized as 13th fastest growing metropolitan area in FY14 – *US Census Bureau*
- Mill value increase of 8% (based upon property valuation)

Millage Value?

New growth in both the residential and commercial markets is driving the Town's mill value up and closer to pre-reassessment values



Residential Home – Appraised and Assessed Value Example



My primary residence is **appraised at \$250,000** and **taxed at 4%** resulting in an assessed value of \$10,000. If I multiply the \$10,000 by the current **Town millage of 44.35 mills**, my total town taxes are **\$443.50** as high-lighted in red. The Town's portion represents approximately 28% of my total taxes.

610 Town of Bluffton	Millage	Millage*.001	Property Tax
County Operations	46.48	0.04648	464.80
County Debt	5.48	0.00548	54.80
County Purchase Prop	4.90	0.0049	49.00
*School Operations	103.50	0.1035	-
School Debt	31.71	0.03171	317.10
Bluffton Fire Operations	24.02	0.02402	240.20
Bluffton Fire Debt	-	-	-
Town of Bluffton Operations	40.00	0.04	400.00
Town of Bluffton Debt	4.35	0.00435	43.50
Total	260.44		1,569.40

*School Operations applicable to nonresidents and commercial taxpayers.

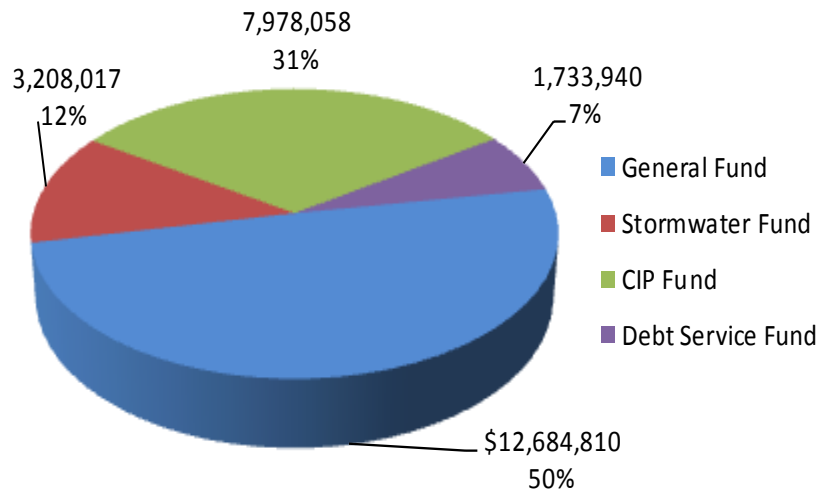
Presentation of Town of Bluffton FY16 Proposed Consolidated Budget

Four Major Funds:

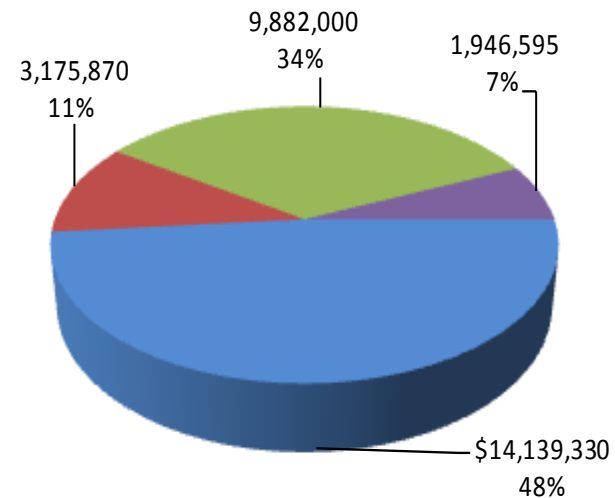
- General Fund
- Stormwater Fund
- Capital Improvements Program (CIP) Fund
- Debt Service Fund

FY16 Proposed Consolidated Budget

FY 2015 Budget - \$25,604,825



FY 2016 Budget - \$29,143,795

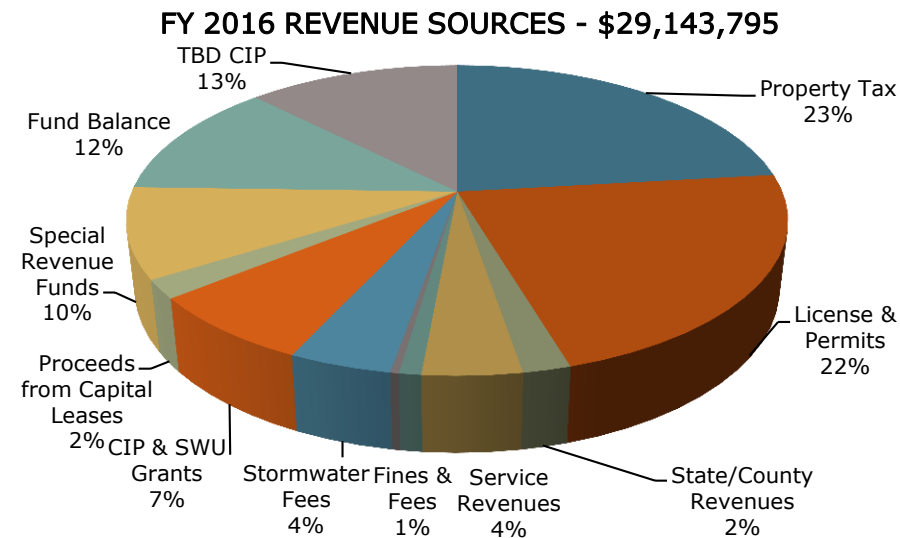
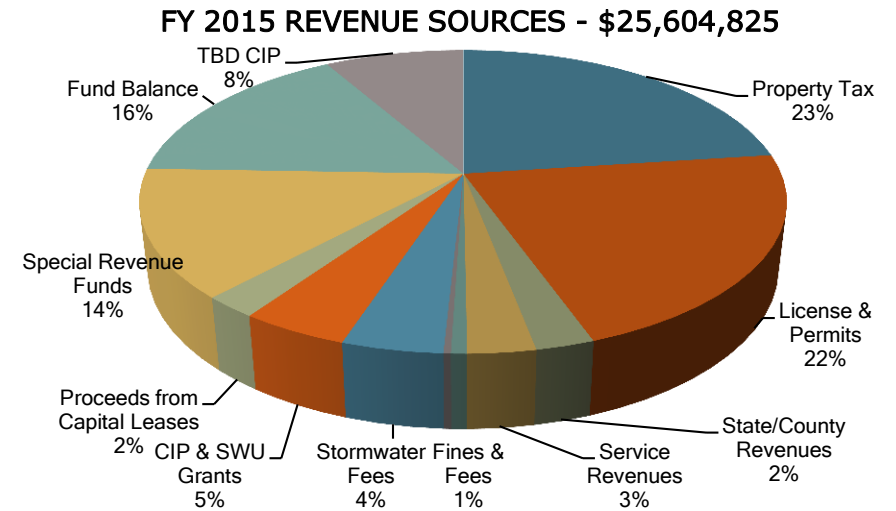


	FY 2015 Amended Budget	FY 2016 Proposed Budget	\$ Change	% Change
General Fund	\$ 12,684,810	\$ 14,139,330	\$ 1,454,520	11.47%
Stormwater Fund	3,208,017	3,175,870	\$ (32,147)	-1.00%
CIP Fund	7,978,058	9,882,000	\$ 1,903,942	23.86%
Debt Service Fund	1,733,940	1,946,595	\$ 212,655	12.26%
Total Consolidated Budget	<u>\$ 25,604,825</u>	<u>\$ 29,143,795</u>	<u>\$ 3,538,970</u>	<u>13.82%</u>

FY16 Consolidated Revenues

The Town uses a combination of Property Taxes, License & Permit Fees, Stormwater Fees, Grants, Special Revenue Funds and Service Revenues to support the ongoing business operations of the Town.

	2015 Amended Budget	2016 Proposed Budget	% Change
Property Tax	\$ 5,870,640	\$ 6,546,595	11.51%
License & Permits	5,527,990	6,343,220	14.75%
State/County Revenues	633,130	557,395	-11.96%
Service Revenues	732,000	1,138,800	55.57%
Fines & Fees	170,000	255,000	50.00%
Other Revenues	78,400	782,675	898.31%
Stormwater Fees	1,090,800	1,200,000	10.01%
CIP & SWU Grants	1,167,500	2,037,500	74.52%
Proceeds from Capital Leases	587,646	521,520	-11.25%
Special Revenue Funds	3,484,987	2,652,765	-23.88%
Fund Balance	4,136,732	3,608,325	-12.77%
TBD CIP	2,125,000	3,500,000	64.71%
Total	\$ 25,604,825	\$ 29,143,795	13.82%



FY16 Consolidated Budget Highlights

- Town of Bluffton Estimated FY16 Assessed Value - \$155,126,340
- Proposed Millage Rate remains at 40 mills for General Fund and 4.35 mills for General Obligation Debt Service – **No proposed ad valorem property tax rate increase**
- Funds Capital Projects without the use of any transfers from General Fund
- Exceeds all essential levels of Fund Balance reserves for a healthy financial position
- AA+ Bond Rating – Standard and Poor's

Town of Bluffton Consolidated Budget

Four Major Funds:

- General Fund
- Stormwater Fund
- Capital Improvements Program (CIP) Fund
- Debt Service Fund

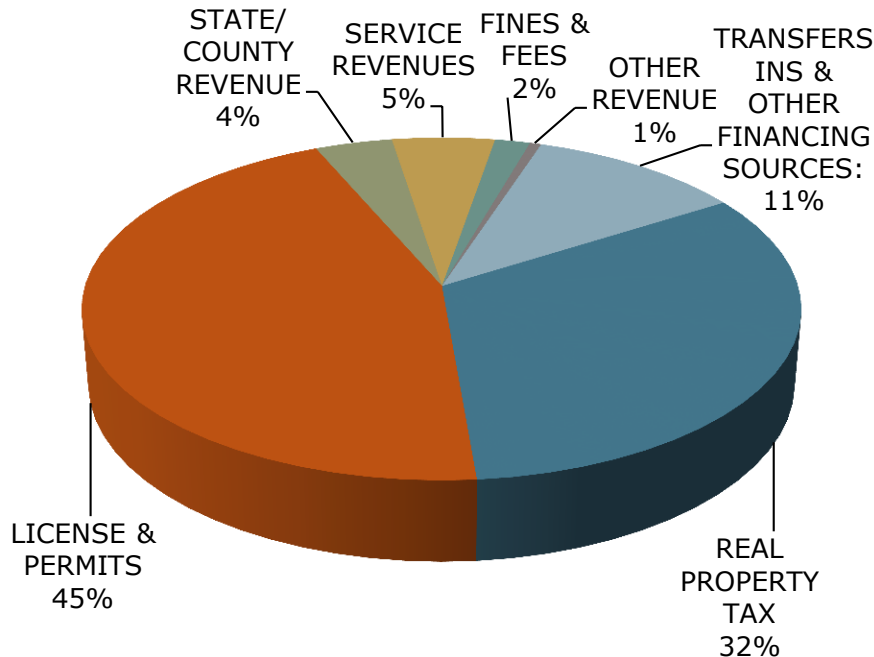


FY16 Proposed General Fund

Primary operating fund used to account for all Town financial resources except those accounted for in another fund. Principal sources of revenue are property taxes and license and permit fees.

FY16 General Fund Revenue Highlights

FY 2016 General Fund Revenue Sources \$14,139,330



AD VALOREM PROPERTY TAX 32%

40 MILLS

LICENSE & PERMITS 45%

Business License Revenue – 11.1%

Building Permit Revenue – 9.3%

Increased approximately 220% since 2010

MASC Insurance Tax
Collections/Telecommunications – 10.3%

Franchise Fee Revenue – 13.4%

Assessed at 5% of the utility bill

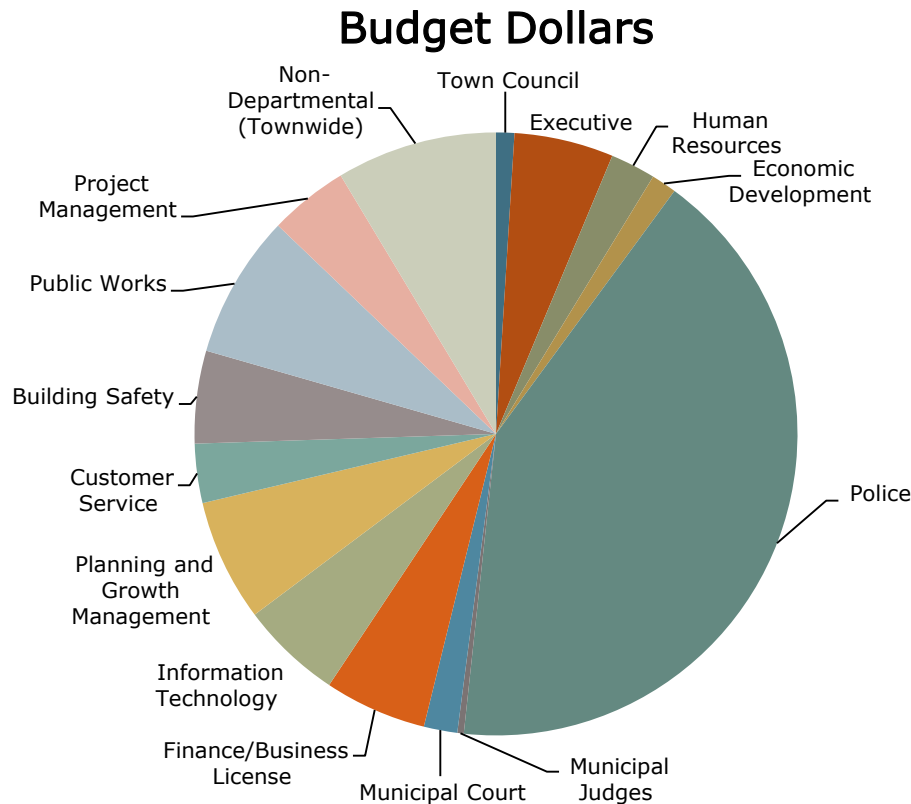
Increased approximately 61% since 2010

Other License & Permit Revenues – .9%

FY16 General Fund Expenditure Budget

	Current vs Proposed						
			FY 2015	FY 2015	FY 2016	Budget	Budget
	FY 2013	FY 2014	Year-End	Current	Proposed	\$ Change	% Change
	Actual	Actual	Projection	Budget	Budget	incr/(decr)	incr/(decr)
General Fund							
Personnel	6,881,315	7,186,786	8,102,374	8,221,265	9,237,476	1,016,211	12.4%
Operating	2,533,171	2,893,296	3,564,603	3,757,778	3,986,526	228,748	6.1%
Capital Outlay	248,154	301,618	481,167	485,152	567,697	82,545	17.0%
Debt	43,950	95,648	220,616	220,615	347,631	127,016	57.6%
Total	\$ 9,706,590	\$ 10,477,348	\$ 12,368,759	\$ 12,684,810	\$ 14,139,330	\$ 1,454,520	11%

FY16 General Fund Expenditure Budgets by Department



	FY 2016 Proposed Budget
Town Council	138,485
Executive	753,140
Human Resources	342,405
Economic Development	191,770
Police	5,744,424
Municipal Judges	48,895
Municipal Court	254,015
Finance/Business License	775,645
Information Technology	768,210
Planning and Growth Management	925,428
Customer Service	448,685
Building Safety	701,918
Public Works	1,087,320
Project Management	600,255
Non-Departmental (Townwide)	<u>1,358,735</u>
Total	<u>14,139,330</u>

FY16 General Fund Expenditure Highlights

Legislative

- Council Election

Executive

- Recodification of Municipal Code
- Overhaul of Town Website
- Production of Town Marketing Video
- Bluffton Brand to Market

Human Resources

- Leadership Development/ Supervisory Training
- Employee Recognitions and Celebrations
- Classification & Compensation

Study

- Tuition Reimbursement Program
- Professional certification/ designation training for Bluffton Staff

Bluffton Public Development Corporation

- Buckwalter Place MCIP Marketing and Recruitment
- Bluffton Market Profile Study

Don Ryan Center for Innovation

- DRCI focus on financial sustainability

Police

- New programs including Emergency Management, Community Events, Vehicle Fleet Management, and Community Code Enforcement
- Operating Expenses for new personnel
- Crime Scene Station

FY16 General Fund Expenditure Highlights

Information Technology

- Improvements to innovation and software
- Network Audit
- IT Strategic Plan and Town Policy Development

Growth Management

- Affordable Housing Committee Work Plan including Affordable Housing Incentive Program
- Abandoned/Unsafe Structure Abatement
- Beautification Committee Work Plan

Engineering

- Urban Design professional services
- Road, pathway, and

sidewalk maintenance

- Maintenance of public realm/public facilities

Vehicles and Equipment

- Dump truck (1), pick up truck (1), tractor (1) and mower (1) to support stormwater management and parks and open space maintenance
- Police Department replacement vehicles (3) and vehicles for additional Officers (5)

Personnel

- 3% Merit and 2% COLA increases for employees
- Coverage of 100% increase in Employee Health Premiums

- 10 New Positions
 - 4 BPD Patrol Officers
 - 1 BPD School Resource Officer
 - 1 BPD Community Relations Manager
 - 1 Purchasing & Grants Administrator
 - 1 Building Inspector
 - 1 Community Development Senior Planner
 - 1 Capital Projects Project Manager
 - Part-Time Intern

Town of Bluffton Consolidated Budget

Four Major Funds:

- General Fund
- Stormwater Fund
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- Debt Service Fund



Stormwater Fund

This fund is used to account for the stormwater utility fees collected by and distributed to the Town by the County for use in the Town's Stormwater Management Program and related Capital Improvements Program.

FY16 Stormwater Fund Budget Highlights

- Capital Projects include:
 - Construction of a stormwater volume reduction retrofit project in Pine Ridge with 319 Grant fund support
 - Hampton Lakes stormwater volume reduction retrofit project
- Stormwater system/ditch maintenance
- Development of Municipal Separate Storm Sewer System (MS4) Program
- Update to 2006 Beaufort County Stormwater Management Plan
- Transfer of funds to CIP Program for sewer projects

FY16 Stormwater Fund

	FY 2016
<u>Revenues</u>	Proposed
Stormwater Utility Fees	\$ 1,200,000
Grant Income	540,000
Other Income	175
Total Revenues	<u>\$ 1,740,175</u>
<u>Expenditures</u>	
Personnel (Salaries & Benefits)	\$ 515,695
Operating Costs	261,250
Total Personnel and Operating	<u>\$ 776,945</u>
Capital Projects	
Wetlands Restoration	85,000
319 Grant Phase 2	428,925
Hampton Lakes Stormwater Retrofit	310,000
SWU Management Plan Update	50,000
Transfers Out to CIP for Sewer Projects	1,525,000
Total Capital Projects	<u>\$ 2,398,925</u>
Total Expenditures	<u>\$ 3,175,870</u>
REVENUE OVER(UNDER) EXPENDITURES	\$ (1,435,695)
FUND BALANCE , JULY 1	<u>\$ 1,883,609</u>
FUND BALANCE , JUNE 30	<u>\$ 447,914</u>

Town of Bluffton Consolidated Budget

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Capital Improvements Program Fund

Capital Projects are primarily non-recurring in nature with a unit cost greater than \$5,000 for all categories except roads, buildings (and computer software recorded in the general fund) whose threshold is \$50,000.

FY16 Planning Commission Capital Improvement Project Priorities

Project	Type	Proposed FY 16 Activities
Calhoun Street & Adjacent Area Improvements	Old Town Improvements	Design/Pursue Construction Funds
Old Town Streetscape, Lighting & Parking	Old Town Improvements	Concept Phase-Parking/Lighting
Calhoun Street River Overlook/Community Park	Old Town Improvements	Pursue Potential Opportunities
May River Watershed Action Plan & Stormwater Improvements	Stormwater	Design & Construction Work
Bluffton Parkway Phase 5B	Roadway Improvements	Pursue Construction Funds
General Pathways	Pathways	Construct Goethe-Shults Sidewalks
Buck Island-Simmons ville Sewer	Sewer & Water	Concept Phase & Design
Jason-Able Sewer	Sewer & Water	Concept Phase & Design
Oyster Factory Park - Next Phase	Park Development	Garvin House & Parking Lot Work
Buckwalter Place Tech Park Infrastructure	Town Facilities	TBD
Parks and Recreation	Park Development	Ongoing Activities as Needed
Land Acquisition	Land Acquisition	Pursue Potential Opportunities
Calhoun Street Dock Improvements	Old Town Improvements	Coordinate with Beaufort County
BIS Pathways	Pathways	Concept Phase/Pursue Funding
Recreational Access Improvements - River, Facilities, Parks	Park Development	Pursue Potential Opportunities
General Sewer	Sewer & Water	Concept Phase/Pursue Funding
Town Hall and Municipal Court	Town Facilities	Proposed
Oscar Frazier Park: Event Parking	Park Development	Proposed
Oscar Frazier Park: Tennis Courts	Park Development	Proposed
Oscar Frazier Park: Field of Dreams	Park Development	Proposed
Blueways-Kayak Trail	Park Development	Proposed
Corridor/Median Beautification: Highway 46, Burnt Church, Simmons ville, US 278	Roadway Improvements	Proposed

Key
High Priority
Secondary Priority
Long Term Project

FY16 Capital Improvements Program Fund Budget Highlights

- ❑ \$1,497,500 programmed grant awards (CDBG, US Fish and Wildlife, SCDNR, SCDOT)
- ❑ HTAX, SWU Fees, MIDF Fees and other funding sources
- ❑ New Capital Projects proposed include:
 - ❑ Town Hall Redevelopment
 - ❑ Garvin House Stabilization
 - ❑ Jason Street/Able Street Sewer Project
 - ❑ May River Road Streetscape Final Phase Construction
 - ❑ Goethe/Shults Pathway Construction
 - ❑ Buckwalter Place Multi-County Commerce Park Public Infrastructure
 - ❑ Buck Island / Simmonsville Sewer Construction

FY16 Capital Improvements Program Fund

PROJECTS	PROPOSED FY 2016 BUDGET	FUNDING SOURCES				
		HOSPITALITY TAX	SWU	MIDF	GRANTS	OTHER
GENERAL PATHWAYS	25,000	25,000				
GOETHE/SHULTS	425,000	275,000				150,000
TOTAL PATHWAYS	\$ 450,000	\$ 300,000				\$ 150,000
BUCK ISLAND-SIMMONSVILLE SEWER: PHASE III	1,337,000		525,000	334,500	477,500	
BUCK ISLAND-SIMMONSVILLE SEWER: PHASE IV	800,000		455,000	25,000	320,000	
BUCK ISLAND-SIMMONSVILLE SEWER: PHASE 5 A-C	75,000		45,000	30,000		
JASON-ABLE SEWER	1,000,000		300,000			700,000
TOTAL SEWER & WATER	\$ 3,212,000		\$ 1,325,000	\$ 389,500	\$ 797,500	\$ 700,000
MAY RIVER ROAD STREETScape: FINAL PHASE	1,534,000	934,000	200,000		400,000	
BLUFFTON PARKWAY PHASE 5B	5,500			5,500		
TOTAL ROADWAY IMPROVEMENTS	\$ 1,539,500	\$ 934,000	\$ 200,000	\$ 5,500	\$ 400,000	
CALHOUN STREET & ADJACENT AREA IMPROVEMENTS	237,500	237,500				
OLD TOWN LIGHTING & PARKING SIGNS	15,000	15,000				
TOTAL OLD TOWN IMPROVEMENTS	\$ 252,500	\$ 252,500				
PARKS & RECREATION IMPROVEMENTS	50,000	50,000				
OYSTER FACTORY PARK: NEXT PHASE	878,000	408,000			300,000	170,000
TOTAL PARK DEVELOPMENT	\$ 928,000	\$ 458,000			\$ 300,000	\$ 170,000
BUCKWALTER PLACE MULTI-COUNTY COMMERCE PARK	2,000,000					2,000,000
TOWN HALL REDEVELOPMENT	500,000					500,000
TOTAL TOWN FACILITIES	\$ 2,500,000					\$ 2,500,000
TOTAL LAND ACQUISITION	\$ 1,000,000					\$ 1,000,000
GRAND TOTAL	\$ 9,882,000	\$ 1,944,500	\$ 1,525,000	\$ 395,000	\$ 1,497,500	\$ 4,520,000

Town of Bluffton Consolidated Budget

Four Major Funds:

- General Fund
- Stormwater Fund
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Debt Service Fund

This Fund is used to account for the accumulation of resources and payment of general long-term debt principal and interest.

The Town issues bonds to support the growing capital needs of the Town.

FY16 Debt Service Fund

Fiscal Year 2016					
Description of Debt	Funding Source	Debt Outstanding	Principal(P)	Interest(I)	Total P&I
Series 2010 BABs (GO)	Property Tax	\$6,090,000	\$215,000	\$275,139	\$490,139
Series 2014 Tax Increment Financing	TIF District Property Taxes	\$8,923,000	\$711,000	\$211,042	\$922,042

General Obligation Bonds

- On July 8, 2010 the Town issued General Obligation Bonds, Series 2010 A Taxable Build America Bonds backed by the full faith and credit of the Town for the Law Enforcement Center
- The repayment term on the bonds is 25 years and the debt service millage is set at 4.35 mills for FY 2016 (no increase from prior year.)
- The Town maintains a bond rating of Aa2 from Moody's and received a AA+ from Standard and Poor's rating agencies.

TIF Special Revenue Bonds

- In December of 2005 and January of 2006 the Town issued \$10 million and \$4 million tax increment financing bonds respectively for the purpose of financing the redevelopment project costs.
- These bonds have been refinanced twice consolidating them into one issuance with the most recent occurring in December of 2014. The refinanced bonds expire in June of 2026.
- Revenues for these payments are derived from property taxes collected within the tax increment district (R614) at 50% of the increased assessed value (increment) over the life of the bonds.

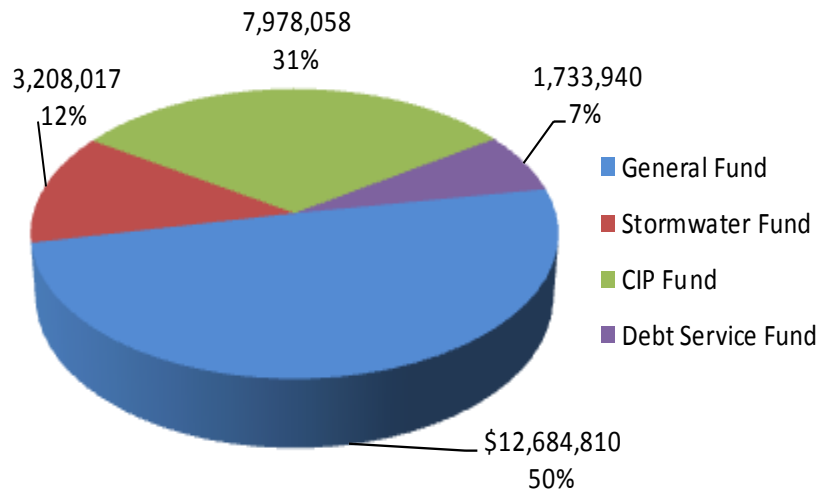
FY16 Legal Debt Margin Calculation

Estimated Assessed Value – FY 2016	\$155,126,340
Debt Limit (8% of assessed value)	12,410,107
Outstanding Debt applicable to limit	(6,090,000)
Legal Debt Margin (without referendum)	\$6,320,107
As a percentage of debt limit	51%

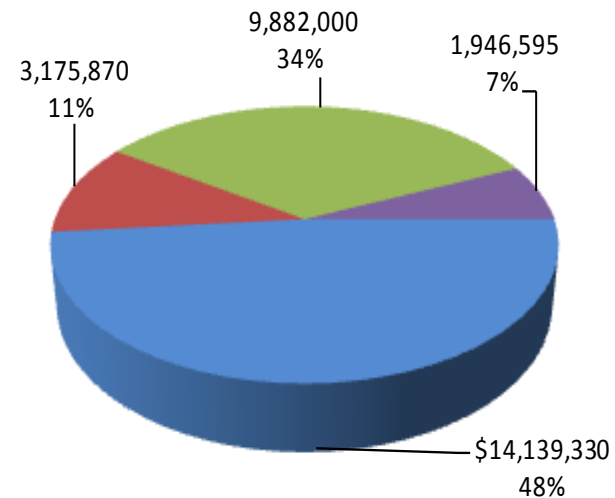


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1. Town Council adopt by First Reading the FY2016 Proposed Consolidated Municipal Budget
2. Town Council FY16 Proposed Budget Workshops:
 - ❑ May 21st at 6pm
 - General Fund
 - Debt Service Fund
 - ❑ May 28th at 6pm
 - Capital Improvements Program Fund
 - Stormwater Fund
3. Public Hearing and Second and Final Reading:
 - ❑ June 9th at 6pm

Timeline of Next Steps

FY16 Proposed Municipal Budget

